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## UNIVERSITY SCHOOLS OF BUSINESS AND A NEW BUSINESS ETHICS

It was a matter of common note before the war, when we had time to think about educational affairs, that the youngest professional school appearing in all our larger universities was the school of commerce or business administration. Except for the occasional school of journalism this was the conspicuous development in university education. After three-quarters of a century of public education in this country business seemed at last about to have its professional school, following in the wake of the ministry, law, medicine, teaching, and engineering. Education in the United States furnishes in many respects an admirable field for historical study in this, if for no other reason, that the short space of three-quarters of a century has witnessed the passing of the self-trained or office-made professional man in all but the oldest of the professions. Even the self-trained minister of the old type is disappearing. It is not many years since there were persons living—perhaps there are still a few—who could remember when the country physician quite regularly acquired his professional knowledge in the office of the local practitioner and went out to cope with all the physiological ills that men are heir to with no more of intellectual equipment and professional experience than his older colleague was able to provide. There are plenty of hale and hearty men who can recall the time when schools of law were not very old, and schools of engineering were “new-fangled” innovations, while schools of education and professional teachers’ colleges still struggle for distinction with the older normal school. Even yet college and university teaching, which ought to represent the top round of the profession, can be entered only through the nose-grinding graduate school and the college of hard knocks, in which the young instructor’s students must perforce suffer with him. And now comes the university school of business!

We are so constituted that any innovation must justify itself before it becomes a recognized part of our established institutions.

The question may well be raised, therefore, concerning this newest university experiment whether it has justified itself and so may hope for the attainment of that degree of recognition which has been grudgingly bestowed in the past upon its earlier rivals for professional distinction. The university school of business has had to contend with one obstacle to success not met with by other professional schools, with the exception of the school of engineering. The others have been founded to give better training for occupations that were already recognized as professions and subtly distinguished from business. The university school of business has had to undertake professional training for a non-professional pursuit.

It is not impossible, however, that business may become a profession. To whatever causes we attribute it, there is apparent in the world of business the germ of a new code of ethics, upon the development of which hangs a great part of the justification of the competitive system, already threatening to become an anachronism. The thing that is new is not the existence of a code; there has always been one, but since the breakdown of the mediaeval guilds the old code has had more of the nature of honor among thieves than of a professional ethics. One distinction between the professional man and the business man, as is sometimes pointed out, is to be found in the nature of the service rendered. The professional man renders a personal service; that is, he does not produce or deal in material commodities, as the business man does. That the line between profession and business is not clearly distinguishable at many points does not alter the fact that the world draws a distinction upon this basis, a distinction that, real or unreal, is recognized both by the professional groups and by the business man. A more vital distinction, however, appears in the existence of ethical codes in the various professions which have only a rudimentary counterpart in business.

The professional codes of ethics set up norms of conduct in three directions. The physician, for example, must do certain things and must not do certain others because the public welfare so demands. When an epidemic threatens, physicians are usually called upon for a vast amount of extra work for which there is little

or no remuneration. The private practice of individuals among them may even suffer materially, with consequent financial loss, but the service asked for the public good is usually given freely and without complaint. The physician, in common with other professional men, has a code of ethics consisting of standards of conduct toward the public. On the other hand, he must not take another physician's patient under any ordinary circumstances without the other's consent, even if the patient very greatly desires it, because it is not, or may seem not to be, fair to his fellow-practitioner, and he must not undercut the established price. There are, as thus illustrated, norms of conduct respecting his relations with his fellows in the craft, matters of professional honor that are at least as old as the mediaeval craft guilds and are supported by the medical associations much as the old guilds supported and enforced the codes of conduct in each trade in the mediaeval towns. There are obligations also to his patient. For example, he must not reveal any facts he may discover concerning the private life of his patient, and he must hold himself subject to call by patients at any time, no matter how great may be his personal inconvenience. There are standards of conduct here which professional honor will not let him violate. The essence of the first and third of these codes is service, while the notion of service to the public weal was one of the forces originally behind the second, though in the main it operates against the public interest.

The threefold professional code has no parallel in business. Its germ can be found, but it is not even moderately well developed except at one point, where conduct toward competitors has been partially defined. The business man of a generation ago had practically no code of conduct toward the public, or at best only the rudiments of one. Even the code respecting competitors was in a low state of observance. Toward the customer the doctrine of *caveat emptor* was unscrupulously applied. The buyer had no rights outside the law which the seller was bound to respect. It is probable that to the typical clergyman and physician, and perhaps the typical lawyer and engineer, the quality of the service he performs looms up almost if not quite as large as the size of the income received. The genuine pleasure of the surgeon at the

successful outcome of a difficult operation seems many times to have no relation to the size of his fee. A difficult task well done carries its own reward, and the result, in the professions, is a genuine service to the patient or client and usually to the public. Popular suspicion, to be sure, points the finger of doubt at the lawyer, sometimes at the physician, and even on occasion at the clergyman, but the code is there, and the failure of individuals in these professions to adhere to it when they place financial return above the rendering of service appears the more conspicuous and is the more condemned because of the code. The professional man is taught from the very beginning of his professional training that his business, as well as his duty, is the service of the public. The business man is taught in the school of hard experience that his business is to sell goods. Even the manufacturer finds the selling end of his business regulating, if not dominating, his entire business policy. It is usually necessary to serve the public, in some measure at least, in order to sell goods, but the important thing is the selling. Of course the ultimate object is a profit from the sale, not the selling, but the end is held to justify the means, and selling becomes confused with service.<sup>1</sup> Business, in its ordinary meaning, is far from being a profession, not merely because it usually deals with material goods rather than with the performance of personal services, but even more because it lacks the ethical codes of service that distinguish the professions.

We must not be misled at this point by the existence of the service departments that have been established in recent years under various titles, principally among those who sell to retailers. These may seem to indicate that service is an ultimate factor, but no one seriously pretends that these are for the purpose of serving retailers better for any important reason except that of protecting the business of those who maintain the service. It is necessary that retailers should not be oversold too often or too much, nor

<sup>1</sup> Service to the customer is, of course, not always equivalent to serving the public. It is recognized that some businesses may serve the individual against the public interest. But it is hardly likely that the business man whose code is the time-worn apology, "business is business," will take much thought concerning the public interest until he first learns to honor the elemental professional proprieties concerning conduct toward a patient, client, or customer.

allowed to fail if failure is easily prevented, because the business of the wholesaler or manufacturer may suffer in consequence; that is, service is secondary to selling. This will be found upon examination to be the relation between service and selling throughout the business world.

The business man is not wholly to blame for his weakness in ethical standards. The professional man, because he does supply a personal service, sees with greater ease the result of his service upon his patient or client and his relation through the service to the common weal. The business man sells to customers often unknown, frequently unseen, with whose personal welfare he is out of contact. Or he falls back upon the primitive instincts of the huntsman and warrior. Selling is a game, or a battle, in which you best your opponent, the customer, to as great an extent as you can. Even if the business man is in personal contact with the customer the game is likely to be paramount. If the game is not the dominating factor, the profit is, so let the buyer beware; service becomes a distinctly minor factor. The business man has relations paralleling those of the professional man. He has relations with his customers as individuals, with the public at large, and with his competitors. The difference is that the code of the professions is in the main the code of service, while the code of business is that of the battle and the game, a game with few rules to regulate the conduct of the players and no umpire. A few individuals transcend it, but the majority do not.

Business ethics is the result then of a system of private profit, appealing as it does to the propensities of the self-preservative and developmental group of instincts, strongest of all instincts in every form of conscious life from the lowest up to man, and of the instincts of the game, which rank but little higher in the scale of development and only a little lower than these in the intensity of their motivating power. But this is not the whole of the story. There is that in us which leads us, when circumstances are not too unpropitious, to seek to do well any task we have in hand. The motivating factor here is the instinct of workmanship. This is the instinct of which Thorstein Veblen writes that "it occupies the interest with practical expedients, ways and means, devices and contrivances of efficiency

and economy, proficiency, creative work, and technological mastery of facts," and that its functional content is largely "a proclivity for taking pains."

The professional man gives play to the instinct of workmanship by skilful work in the service of his patient or client. But the business man finds satisfaction for the same instinctive propensity in the selling of goods. Good selling means getting rid of the commodity at a profit, regardless of its suitability to the needs of the customer. To gain and retain the customer's good-will it is necessary, of course, not to slight his interests too much, but such care as may be given him has ordinarily the sole object of more selling later on. The principal thing necessary to make a profession of business is the substitution of service for selling as the proper end of business. To accomplish it the misdirection of the business man's instinct of workmanship just described must be corrected. By the existing business code good work is good selling, and until the achievement of some other end than mere selling comes to be recognized as supreme in work well done, business ethics will remain the ethics of the battle, the chase, and the game.

It goes without saying that the world will gain if business can be made to adopt the first and third of the professional codes, and it is in this connection that the university school of business may perform a very valuable service. Three things are necessary for the change. The business man lacks the functional point of view, lacks ethical training in general, and needs to be pointed toward some other criterion of good work than merely that of good selling. The second of these lies outside the field of the university school of business, but schools of this kind may perform useful service in connection with the first and third.

It is easy to overlook the importance of the functional point of view. Even the better-than-average business man seldom has much vision into the operations of business as related to the social scheme of things. His business is his for the purpose of making money. That business really exists solely to serve the public in the satisfaction of its individual wants and has no claim upon existence if it fails to meet this test of utility is a notion he seldom comprehends and has even been known not infrequently to deny.

That business exists in the end only by the tolerance of the community, because the community believes its interests are thus better served, and may be suppressed if the public interest is not served, seems to him the rant of demagogues or the chattering of theorists. Yet this is precisely the situation, as thoughtful persons readily recognize. The war has given emphasis to the proposition by the partial or complete suppression of "nonessential" businesses, but the action of the government in this connection is not really new. It is simply an amplification of the policy of industrial regulation for the public interest pursued for a generation. If business men can be made to see that business really exists for service and is tolerated on this ground, something may be accomplished toward the upbuilding of an ethical code respecting the conduct of business for the service of the customer and, through him, of the public. If university schools of business do no more than successfully emphasize this aspect of business, if they send out each year an increasing body of young men trained no further than to know the functional significance of business in general, even if not of any special business in particular, they may perform a service sufficiently distinctive to justify their departure from the older lines of training which the budding business man who went to college has undergone in the past. It ought to be a peculiar service of the university school of business to attempt throughout its entire organization to build into the very fiber of the business-men-to-be who are its students this viewpoint in business and the notion of service as the criterion of good work. Only as business men come to recognize the real reason for the existence of business in the better satisfaction of the wants of human kind, and to find in the easier gratification of these wants a response to the motivating impulses of the instinct of workmanship at least equal to that of the skilful selling of goods, will it be possible to make a profession of business and to give it the general aspect of public service that is attached to the professions. If our university schools of business undertake this task they may easily justify themselves as serviceable and necessary parts of our general scheme of public education. If they do not, they are only with difficulty to be justified except as servants of the business group to be supported at the expense of business for its own benefit.



It is especially important that this aspect of business education should be emphasized at the present moment. We are face to face with a future after the war that involves, not merely the problems of political reconstruction in Europe, of the freedom of the seas, of the rights of small nations, and of self-determination for subject peoples, but a future that promises to bring before us even more difficult problems of an economic reconstruction that has been long postponed. Entire industries have been taken over bodily by the government to aid production for the war. Single plants in others have been taken for the same reason. Or, more correctly, industries and plants have been lent at the government's demand for the duration of the war and perhaps for an unknown period. Some of these will go back into the hands of those who made the loan. It is an open secret that some of them may not. When industries pass under the control of the government one of the principles upon which private business is founded ceases to play a rôle of any importance and becomes subordinate to the principle of service. Government industries are not expected to run at a profit. Preferably they ought not so to run. Except in cases in which the service is so important for the public at large that it transcends the question of cost and warrants the meeting of cost in part by taxation, they should pay all expenses of whatever sort, and no more.

A government industry in a democratic country is a people's industry. It exists to serve the people. If it clears a profit the people simply pay it to themselves. That a government industry which supplies commodities for purely individual satisfaction should charge a price that covers all its costs is a well-recognized principle of public finance. That it should not charge more is almost as well established. Unnecessary sums in the Treasury present too many temptations, and it is not considered just that those of the public who do not use the products of a particular public industry should gain by a public profit at the expense of those who do. We need now, and we shall need later, business men who understand the principle of service, who have sufficient realization of the true function of business to subordinate in our government industries the principle of profit to that of service. It is because business men in public offices in the past have not been able to subordinate public

money-making to public service in municipal public utilities that a "business administration" in the management of city affairs has sometimes been justly feared by careful students of government. We shall need in the future, as we have in the past, young men with just such training as the university school of business might give, but we shall need more of them.

Again, we can see even now that the future holds in store labor problems, no different in kind perhaps from those we have had to face before, but greater in degree. The government has recognized the unions. Its labor policy is not only encouraging but even forcing the development of trade-unionism. Few business men—it is not far from the truth to say no business men—really understand the unions. Yet without some knowledge of the labor point of view and some appreciation of its significance it is impossible to deal satisfactorily with them; satisfactorily, that is, to either the employer, the unions, or the public. Shall we try to go back to the old régime of union-baiting employers bent upon nothing less than the extermination of the unions, or attempt to give our business men in the future some appreciation of the real nature of labor problems and the relation of such problems to the proper functions of the business man and to the common weal? This is a further task which the university school of business may undertake, a task that is likely otherwise to be only very inadequately performed.

There is in what has just been said something of innuendo directed at the old-line college of arts. Why is it that, with the thousands of young men annually sent forth by these institutions to go into business, so little headway has been made against the purely sordid point of view in business? The most important reason, no doubt, is the compelling force of the instincts of the game, before which the broader training of the college falls in the struggle for survival. But is it not in part because, as the number of college graduates who enter business annually increases, comparatively little effort has been given to the adaptation of the college curriculum, originally planned for men who were to enter the professions, to fit it to the needs of the future business man? Perhaps it is not the proper function of a college of arts so to adapt itself, but if not, then certainly it is worth while to provide elsewhere for

the business man to meet his special needs and the needs of the community for business men with visions of business broader than a ledger page and a bank account. To impart breadth of vision to young manhood is, to be sure, a major goal of the college of arts. The difficulty in the case of graduates who enter business lurks in the failure of the college curriculum to meet the need for application of the breadth-giving factors to anything related to business. The application is left with the student, and if he makes it the impression is so slight that the exigencies of business soon erase it.

This is not the whole of the difficulty of course. An ethical code needs something more than mere knowledge of the right and proper to give it viability. In college courses in economics, and perhaps in sociology, the boy who expects to enter business may learn something of the functional relations of business to the life of the community if his instructors have themselves the gift of looking through the structural apparatus of society to the functions that give the structures significance. A college department of economics may begin the cultivation of a sense of the true nature of business, but something more is needed in the way of constant daily emphasis upon this point of view, much also of careful, intensive cultivation in the fundamental principles of human living together and of the service side of business. Only thus can we hope to give to the future a business code whose ethics will transcend the ethics of primitive warfare. The world will gain if business can be made a profession, but to accomplish this end requires more special attention than can be given to it in the old-line college of arts, unless indeed the student is permitted to do more work in economic subjects than is ordinarily permissible.

The reader will doubtless have recognized that the preceding paragraphs have dealt mainly with those lines of business outside the realm of what is commonly called finance. In commercial banking the principle of service is fairly well recognized. This is because the commercial banker is on the border line between business and the professions. He sells in the main a service rather than a commodity. Banking ethics in the realm of commercial banking is at most but little more contaminated by the business code than is the code of the legal profession. But the banker is really a seller

of commodities rather than the performer of a direct personal service, and his ethical code partakes rather largely of the code of the seller. Most bankers properly regard themselves as business men and banking as a business rather than a profession.

Investment banking, as carried on by the great private banking houses, is even more a business than commercial banking. To be sure, the investment banker deals in the same general kind of commodity as does the commercial banker, and quite commonly both kinds of banking are carried on by the same establishment. The principal difference for the purpose in hand is found in the fact that, whereas the commercial banker exchanges his own credit for that of the individual customer, the investment banker more commonly sells the credit of one customer—a business corporation or a government—to another customer, the purchaser of stocks or bonds. This is, of course, exactly what the banker does when he floats, or helps to float, an issue of stocks, bonds, or notes by finding a market for the issue among his customers. When he acts as adviser to his customers, as he commonly does, the service of advice has the nature of a profession. But in the end this service resembles that performed by the mercantile service departments already referred to. The service is secondary to the selling, and good workmanship is exhibited rather more in selling the customer what the banker has to sell than in serving the ultimate interests of the customer. The broker likewise is a business man. He is essentially a buyer and seller of merchandise, even though the goods he sells are stocks and bonds and other types of paper. We rightly speak in our daily conversation of brokerage as a business, for its ethics is that of business, tintured only a little, and often not at all, with the professional standard of conduct toward the customer and a rudimentary code of propriety respecting competitors.

Lest the reader feel that the functions of yet another group of business men have been neglected in the foregoing paragraphs, it may be pointed out that those who are salaried managers in other lines of work than selling—factory managers and highly paid mechanical superintendents, for instance—who are regularly looked upon as business men, are in reality only contributing agents to the selling end of business. The aim of a business establishment is to

make a profit by selling. To accomplish it administrative and technical efficiency are necessary. The aim of good workmanship among managerial and technical experts in business is the maintenance of efficiency in these directions. In this is to be found their service. Hence to the extent that a low code of ethics prevails in the selling of the product it is likely to affect also the functioning of those who contribute to the selling. Selling is the end they work for. It is merely performed, not by themselves directly, but by others connected with the same organization.

On the financial side of business the university school of business has a service to perform exactly like that which awaits it in business in general. It is not improbable that among bankers there is a larger proportion who understand the functional relation of their business to the welfare of the community than among other business men; but even so this point of view needs the utmost emphasis for bankers because they are business men, and within the sphere of influence of the business code are prone to lose sight of the principle of service. To an even greater extent is this true of brokerage. There are fewer visible labor problems confronting financial business, but some of the deeper-seated difficulties are present. There are always the problem of efficiency, as related to health and good feeling, and the need of opportunity for the instinct of workmanship. It is an interesting development in the curricula of university schools of business that they have a tendency to emphasize most the financial side of business, for which their services are on the whole least needed if the welfare of the public is the thing at stake.

It is necessary to point out, in fact, that, if the functions attributed to them in the foregoing paragraphs are the ones whose performance is most needed, these schools have in many cases been doing their proper work only partially, or not at all, if their published curricula are any criterion of the actual content of their courses. It is true that university catalogues are likely to describe the content rather than the spirit, the succession of topics rather than the point of view, which make up their courses, but there are more reliable indications of the actual situation. The spirit and the point of view, which are the soul, if not the sum and substance,

of public service in these schools, will display themselves in the books and other literature given to print by those who serve as instructors. These are discouraging. It is evident that those who write, who carry in consequence more than their numerical share of the weight of influence, are more interested in giving the business man what he wants, or needs, to be a competent business man than in training young men just nearing the end of the plastic and formative stage of development to be leaders in public service, even though in business. If it be retorted that this is what the school is for, the only reply is that it has then missed its main excuse for existence. It is worth while, no doubt, to increase efficiency in business. But efficiency is a relative term. Efficiency for what? For successful selling or successful service? If the rejoinder be made that successful selling *is* successful service, it is countered with a denial qualified only to this extent, that a reduction in the cost of making or of selling goods due to better organization and administration will redound to the benefit of the public if the industry is competitive, since it will ultimately lower the selling price; which means only that the economic forces comprehended in the term "competition" will prevent the business man from beating his customers—and the public—in the game by so large a score as he might otherwise attain. This is, no doubt, an accomplishment worth while. If the industry really is competitive we gain after a time. If it is not competitive we can, by legislation properly enforced, prevent any serious loss. But it is better to tame the leopard before we set him loose than to beat the forest for him afterward.

Efficiency is a much-abused term. Efficiency in business is not equivalent to effective satisfaction of the wants of the community. Efficiency always implies a standard. Hence business efficiency is efficiency according to business standards. Efficient selling is the business goal, not efficient service. Efficient organization and administration mean reduction of cost and price, but the main thing they mean to the business man is easier selling of his product as against that of his competitors, actual or potential, and so an easier profit. If our university schools of business do no more than train young business men to acquire increased efficiency

in this sense, they have performed only a partial service at best, for it is possible that this same efficiency may be turned against the public in the concentration of management that makes the usually predatory trust. Efficiency that is irresponsible and conscienceless has already wrought sufficient evil in the world to make at least an open question of the wisdom of increasing this sort of efficiency in business.

There is no intention here to attack the work of these schools along the line just indicated, except as concerns the matter of standards. Their sins are mainly of omission. It is the end toward which the efficiency they induce is directed that is under question. Nor is the criticism mainly against the content of their curricula. It is the spirit and the point of view that will mainly make or mar their work from the standpoint of public service. If built upon a sufficient amount of functional economics, such as might be given in the usual college course, the curriculum content needs little change. Efficient organization and administration are more desirable than ever when turned to public service. Even a system of socialism with no private business would have need of facilities for giving special training in industrial organization and administration. It might need them more than we do now. The things that are lacking are chiefly matters of emphasis, spirit, and point of view.

There are, of course, conditions of success or failure for the university school of business as for other institutions. Many an inventor has failed because he could find no market until his capital was gone, and it is entirely possible that a like fate might befall our schools of business administration if they begin to supply a commodity that does not fit the needs of business as the business man of today sees them. If the young man who enters the business office from our schools has too many "fool notions" he ceases to be in demand. Here is the making of a real problem. Those who are trained in our university schools of business seldom enter business as managers and usually have no opportunity to dictate business policies. They begin their careers as clerks and understudies and have forced upon them the viewpoints of their superiors. This has been an important source of difficulty in the past. Our

colleges are forcing-beds of idealism, and many a boy has gone out filled with a genuine desire to apply ideals of service in business only to find himself promptly squelched by sordid-minded superiors. Even those young men who find themselves in positions of authority have to answer to stockholders and other interested persons whose sympathies are with profit-making only. And even if unrestricted in either of these ways the young man may have to meet all the craft and guile of unscrupulous and more experienced competitors and go down in the struggle before he has an opportunity to make known sufficiently the service standards he endeavors to maintain.

Here is, in fact, the greatest problem the university school of business has to meet. If its graduates cannot succeed it will fail to draw students except those of very inferior caliber. If the men it sends forth acquire a reputation for "fool notions" business will refuse to make use of them. It has a commodity to market and is subject for its success to the operation of factors of supply and demand. It may suffer also for lack of financial support. How can a school which cannot draw students, cannot place them afterward if they come, and cannot secure financial support become an important factor in upbuilding the ethics of business? The situation is not quite so hopeless as it seems. The physician sugar-coats the pill the patient might otherwise not take. To change the *mores* of the business man, the habitually accepted practices and points of view that seem to him right and proper, that constitute his accepted code of ethics—this is a staggering task indeed and probably not to be accomplished except by the process of infiltration. It is not with the men now in business that the hope for changing business ethics lies, but with the young men who are soon to take the places they leave vacant. It may be necessary to sugar-coat the curriculum to insure that the patient will take it. If our schools grow and the body of men trained in the profession of business increases, we may in time accomplish the end desired. Such a process is always slow and usually discouraging to those who undertake it, but the end is worth any effort, however great.

Fortunately there are factors at work to aid the process. In increasing numbers our young men and women are entering institutions of higher education and going out with ideals of service and



an insight into the functions of our everyday institutions which in ordinary times come clearly in no other way. We are, or were before the war, building the foundation for a better community morale. This has been reflected in our various movements for reform legislation in the attempt to establish compulsory planes of conduct without which the selective competitive process goes against the welfare of the public. We shall have this movement to work with if the war does not destroy it. More clearly than ever before we have been able, since we entered the war, to see the public interest in business. The consumer's point of view is receiving attention it has never had hitherto. War performs at least this much of service, that it throws a searchlight upon the non-essential nature of some of our institutions and the essential value of service for the public weal in all occupations. We may have this also to build upon when the war is finally ended. Further, the government's policy of borrowing industries for the duration of the war and of calling upon business men in many lines of work for special service for the government is forcing upon an increasing number of business men, young and old, the notion that service is the proper aim of industry. How deep the impression goes it is impossible to say. New notions are likely to be, like beauty, only skin-deep. But it is a factor that operates in the right direction, whatever its worth.

It is difficult just now to make lasting changes in the curricula of any of our colleges and universities because the war has called to other, sterner duties those who are and would have been our students. But that is the greater reason why we should now make new plans for the hoped-for better world that is to follow in the wake of war. More of planning can be done now just because our students are fewer. More must be done now in our university schools of business if it is ever to be done, for after the war we shall find these schools fitting themselves into the business life of the time. If the change is ever to be made it must be made before they themselves become a part of the *mores* of business as it is and was, and change in them becomes all but impossible.

In defense of the business man it may be said in conclusion that of course no single individual and no single generation are

responsible for the business code, that it is a by-product of the process of industrial evolution that broke down the old guilds with their professional codes without the substitution of any other code, that the business man is only following, in the absence of any higher code of ethics, instinctive proclivities that are common to all of us, and that he has not had so great an opportunity in the past to build up such a code under modern conditions as those who follow the professions. In later mediaeval times all occupations had professional codes. The professions have retained these older codes, the codes of personal service, while the greater changes that overtook the occupations which developed into businesses have all but done away with them among the followers of business. Ethical codes are always premised upon a fairly definite environment, and too great changes break them down. It would be an interesting study to develop the rôle of individualistic philosophy and *laissez faire* economics in retarding the redevelopment of a service ethics in business. It will be sufficient here to point out that the same forces which destroyed the service ethics of business have broken down the code of the professions also in a manner different only in degree. If the professions are less marked by conduct clearly antisocial, it is because the professional man is less subject to temptation than the business man. But the need for university schools of business is given greater emphasis in the apparent drawing together of the two codes upon the basis of the business code. Business ethics has contaminated the ethics of the professions, and the making over of business into a profession would become a double service in the correction of professional as well as business ethics.

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